



CODE OF CONDUCT

FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL OF LIBERTY SHOES LIMITED

1) PREAMBLE

The Code has been framed in compliance with the provisions of clause 49 of the listing agreement signed with stock exchanges.

This Code of Conduct ("the Code") shall be called 'the Code of Conduct for Board Members and Senior Management Personnel' of **LIBERTY SHOES LIMITED** (hereinafter referred to as "the Company"). The code of conduct shall be posted on the website of the Company. All Board Members/Senior Management personnel are expected to comply with the code in its letter and spirit. They are also required to affirm compliance on an annual basis.

2) DEFINITION & INTERPRETATION

The term "Board Members" shall mean Directors on the Board of Directors of the Company. In the Code, words importing the masculine shall include feminine and words importing singular shall include the plural or vice versa.

3) APPLICABILITY

The code shall be applicable to:

- the Board Members and
- the Senior Management Personnel (i.e. all officials/ employees having equivalent or higher designation than 'General Manager')

4) KEY REQUIREMENTS

The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interests of the Company and observe the following code of conduct:

A. Accountability :-

Always work together on the principal of mutual trust, transparency along with personal responsibility and accountability in the interest of the Company.

B. Conflict of Interest :-

The Board Members and Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company. In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board Members and the approval of the Board is required to be obtained.

C. Compliance :-

All applicable laws, rules and regulations shall be complied with. In order to assist the company in promoting lawful and ethical behaviour, any possible violation of laws, rules, regulations or the code of conduct shall be reported to the Board Members through the Company Secretary/Compliance officer.

D. Other Directorships :-

The Company feels that serving on the Board Members of other Competitor companies may raise substantial concerns about potential conflict of interest and therefore, all Directors must report / disclose such relationships to the Board on an annual basis.

E. Insider Trading :-

The Board Members and Senior Management Personnel shall comply with the code for Prevention of Insider Trading

F. Confidentiality of Information :-

Any information concerning the Company's business, its customers, suppliers etc., which is not in the public domain and to which the Board Members and Senior Management personnel have access or possess such information, must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law.

G. Protection of Assets :-

Board Members and Senior Management personnel must protect the Company's assets and information and shall not use these for personal use, unless falls within the policy framed time to time in this regard.

H. Health and Safety :-

Work towards providing safe, healthy and encouraging working conditions to the employees of the Company.

I. Shareholders :-

Always provide fair information on a timely basis in accordance with the applicable provisions and work for the value addition to the stakeholders of the Company.

5) CODE FOR INDEPENDENT DIRECTORS

The Independent Directors, in addition to the compliance with this Code, shall also comply with and adhere to the Code for Independent Directors framed in accordance with the provisions of the Companies Act, 2013 and forming part of this Code and enclosed as "**Annexure – I**".

6) COMMUNICATION OF VIOLATIONS

Board Members shall communicate any suspected violations of this Code promptly to the Chairman of the Audit Committee. Senior Management should communicate any suspected violation of this code to the Managing Director who in turn shall communicate it to the Chairman of the Audit Committee. Violations will be investigated by the Board or by persons designated by the Board, and appropriate action will be taken in the event of any violations of the Code.

7) CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

In case of breach of this Code, the same shall be considered by the Board Members for initiating appropriate action, as deemed necessary. Any waiver of this Code may be made only by the Board Members and must be promptly disclosed to the Company's shareholders.

8) PLACEMENT OF THE CODE ON WEBSITE

Pursuant to Clause 49 of the Listing Agreement, this Code and any amendments thereto shall be posted on the website of the Company.

9) AMENDMENT(S) OF THE CODE

The Code may be amended from time to time by the approval of the Board Members of the Company.

ANNEXURE-I

CODE FOR INDEPENDENT DIRECTORS

This Code is a guide to professional conduct for independent directors and the independent directors are expected to adhere to these standards and fulfill their responsibilities in a professional and faithful manner. This Code shall form part of the Code of Conduct for Board of Directors and Senior Management.

I. GUIDLINES OF PROFESSIONAL CONDUCT

The independent directors are expected to maintain the following guidelines/standards while conducting their professional duty.

1. Independent directors shall uphold ethical standards of integrity and probity in the interests of the Company;
2. They shall act objectively and constructively while exercising their duties;
3. They shall exercise their responsibilities in a bona fide manner in the interest of the Company;
4. They shall devote sufficient time and attention to their professional obligations for informed and balanced decision making;]
5. They shall not allow any extraneous considerations that will vitiate their exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. They shall not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. They shall refrain from any action that would lead to loss of their independence;
8. They shall immediately inform the Board where circumstances arise which makes them lose their independence;
9. They shall assist the Company in implementing the best corporate governance practices.

II. ROLES AND FUNCTIONS

1. The independent directors shall help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. They shall bring an objective view in the evaluation of the performance of board and management;
3. They shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. They shall satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

5. They shall safeguard the interests of all stakeholders, particularly the minority shareholders;
6. They shall balance the conflicting interest of the stakeholders;
7. They shall determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. They shall moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

III. DUTIES

1. The independent directors shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
2. They shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
3. They shall strive to attend all meetings of the Board of Directors and of the Board committees of which they are members;
4. They shall participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. They shall strive to attend the general meetings of the Company;
6. Where they have concerns about the running of the Company or a proposed action, they shall ensure that these are addressed by the Board and, to the extent that they are not resolved, they shall insist that their concerns are recorded in the minutes of the Board meeting;
7. They shall keep themselves well informed about the Company and the external environment in which it operates;
8. They shall not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. They shall pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
10. They shall ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. They shall report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. They shall while acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
13. They shall not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Confirmation - I

Date:

To

The Board of Directors
LIBERTY SHOES LIMITED

I, (Name of Director/ Senior Management Personnel), (Designation) hereby declare that to the best of my knowledge and information I have read and understood the Code of Conduct applicable to the Board of Directors and Senior Management of the Company and I have complied with the requirements of this Code during the preceding financial year ended 31st March, and / or I affirm that I will comply with the requirements of this Code during the financial year ended 31st March,.....

(Signature)

(Name of Director/ Senior Management Personnel)

(Designation)

(DIN, if any)